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# Insights into hours worked, June 2020

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3 Source: Labour Force, Australia, June 2020

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Hours worked fell by 9.5% between March and April in seasonally adjusted terms, which was double the decrease in employed people (4.7%). After this large fall in April, the decline in hours worked slowed considerably into May, with hours worked decreasing by a further 0.7%. Between May and June, hours worked began to recover, increasing by 4.0%, alongside a 1.7% increase in employment.

Total hours worked increased by over 64 million hours between May and June, which was around a third (35%) of the 186 million decrease between March and May.

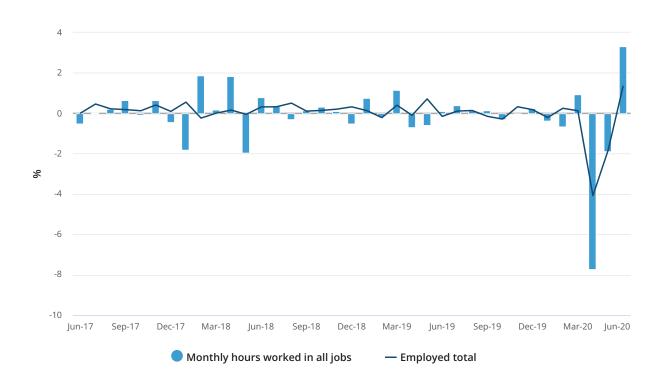
Charts 1, 2 and 3 show the monthly changes in seasonally adjusted hours worked and employment for all people, men and women. Both male and female hours increased between May and June, with hours worked for women continuing to show larger growth, following the much larger fall in female hours early in the COVID-19 period.

Chart 1: Change in employment and hours worked



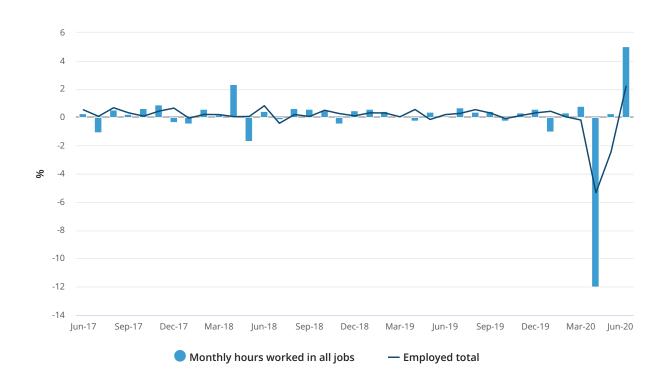
Source: Labour Force, Australia Tables 1 and 19

Chart 2: Change in employment and hours worked, Males



Source: Labour Force, Australia Tables 1 and 19

Chart 3: Change in employment and hours worked, Females



Source: Labour Force, Australia Tables 1 and 19

# Hours worked ranges

The changes in hours worked can also be considered in terms of changes in the number of people working within various hours ranges. Table 1 shows the distribution of employed men and women across the hours worked categories in June, compared to April and May, and 2018 and 2019 (to control for seasonality).

Table 1: Distribution of hours worked, Males and Females, Original

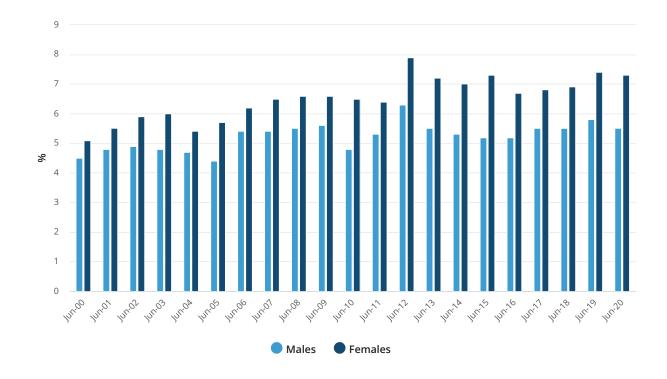
	Males						Females					
	0 hrs	1-19 hrs	20-34 hrs	35-44 hrs	45-59 hrs	60+ hrs	0 hrs	1-19 hrs	20-34 hrs	35-44 hrs	45-59 hrs	60+ hrs
Apr-18	7.7%	10.6%	25.8%	32.1%	16.0%	7.8%	11.5%	21.8%	33.9%	23.6%	7.0%	2.3%
May-18	5.1%	9.9%	15.5%	40.1%	20.0%	9.4%	6.6%	20.8%	29.3%	31.4%	9.0%	2.9%

	Males						Females					
Jun-18	5.5%	9.7%	21.0%	36.6%	18.6%	8.5%	6.9%	21.3%	32.3%	28.5%	8.1%	2.8%
Apr-19	5.7%	10.0%	15.5%	40.5%	19.5%	8.8%	8.6%	19.5%	28.9%	32.1%	8.1%	2.7%
May-19	5.5%	10.4%	15.5%	40.6%	19.3%	8.8%	6.8%	20.0%	29.2%	32.3%	9.0%	2.6%
Jun-19	5.8%	10.5%	20.9%	37.7%	17.0%	8.2%	7.4%	20.3%	32.1%	29.7%	7.8%	2.8%
Apr-20	11.4%	10.3%	22.0%	35.1%	14.5%	6.6%	18.2%	18.5%	28.6%	25.7%	6.9%	2.1%
May-20	6.7%	11.3%	17.6%	39.9%	16.8%	7.8%	9.4%	20.7%	28.8%	30.7%	7.8%	2.6%
Jun-20	5.5%	11.0%	22.3%	38.7%	15.4%	7.1%	7.3%	20.7%	32.9%	29.1%	7.8%	2.2%

Source: 6291.0.55.001 Table 9

Chart 4 shows that the proportions of employed men and women who worked zero hours were similar to historical levels for June, in stark contrast to the record highs recorded in April and May (relative to April and May in previous years).

Chart 4: Proportion of employed working zero hours



Source: Labour Force, Australia, Detailed Table 9

### Flows between hours worked categories between May and June

Table 2 shows the proportion of people in each of the hours worked categories in June by their hours worked in May.

It shows that of the employed people who worked zero hours in June:

- 40% also worked zero hours in May (around 300,000 people) indicating that they have been paid for at least some of the past 4 weeks weeks (otherwise they would no longer be classified as employed); and
- 16% were not employed in May (around 120,000 people) again, indicating that they received some pay despite not working any hours.

This was relatively consistent with the flows seen between April and May for people working zero hours.

There were also around 150,000 people who moved from working zero hours in May to being not employed in June. This was around a third of the flow of 450,000 people between April and May.

Table 2: Flows in hours worked ranges between May and June, Original

	Hours worked in June						
Hours worked in May	0 hrs	1-19 hrs	20-34 hrs	35-44 hrs	45-59 hrs	60+ hrs	Not employed
0 hrs	39.8%	8.3%	4.7%	2.5%	2.6%	3.7%	1.9%
1-19 hrs	12.2%	58.5%	12.1%	3.1%	3.2%	1.8%	1.5%
20-34 hrs	11.7%	14.3%	47.5%	15.0%	6.9%	3.3%	0.6%
35-44 hrs	13.0%	4.9%	27.0%	65.1%	25.3%	9.4%	0.7%
45-59 hrs	5.1%	1.9%	3.6%	10.9%	48.9%	23.4%	0.2%
60+ hrs	2.6%	0.5%	0.9%	1.5%	11.7%	57.4%	0.1%
Not employed*	15.7%	11.6%	4.3%	1.8%	1.4%	1.1%	95.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Unpublished data

## Underemployment and reduced hours

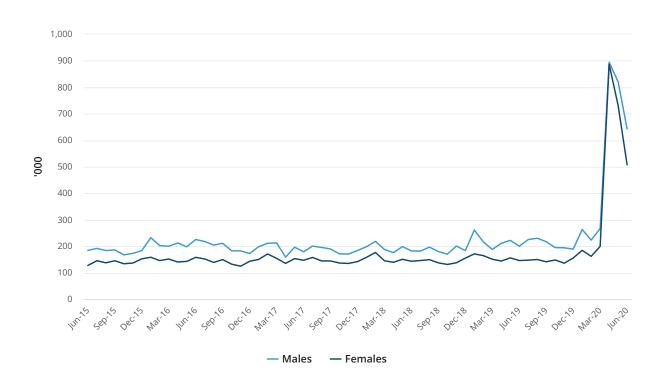
The number of underemployed people fell by 152,500 to 1,555,600 in June. As a result, the underemployment rate decreased by 1.4 pts, to 11.7%. This followed a 0.7 pts decrease in May. This net change in the number of underemployed people mainly reflected a decrease in the number of full-time employed who worked less than 35 hours per week for economic reasons between May and June.

<sup>\*</sup>Not employed includes all people who were unemployed or not in the labour force.

Chart 5 shows the number of men and women working fewer than their usual hours, or no hours at all. There were around 1.15 million people who worked fewer than their usual hours for economic reasons in June 2020, a decrease of approximately 400,000 people since May (when it was around 1.55 million people) and over 600,000 since April 2020 (when it was around 1.8 million people). This comprised:

- around 490,000 'underemployed full-time workers' (i.e. full-time who worked less than 35 hours in the reference week);
- almost 130,000 full-time workers who worked less than their usual hours in the reference week but still worked 35 hours or more; and
- around 530,000 part-time workers.

Chart 5: Employed people working fewer than their usual hours, or no hours at all



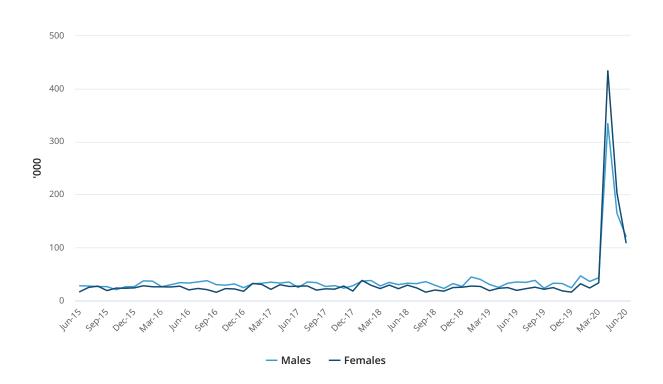
Source: Labour Force, Australia, Detailed Data Cube EM2a

Of these 1.15 million employed people who worked less than their usual hours for economic reasons:

- around 230,000 did not work at all; and
- around 920,000 people worked some hours, but fewer hours than they usually work.

Chart 6 shows that the number of men and women working zero hours for economic reasons declined between May and June, but less than the large decrease between April and May.

Chart 6: Employed people working zero hours, Males and Females



Source: Labour Force, Australia, Detailed Data Cube EM2a

#### **Further information**

For further information, email <u>labour.statistics@abs.gov.au</u> (<u>mailto:labour.statistics@abs.gov.au</u>).